PROMISES SEEN IN STRENGTH OF RAILS

Satisfactory Improvement in Earnings Predicted for Year's Second Half.

EFFICIENCY INCREASING

Restoration of Fair Relationship of Rates and Commodity Values Needed.

to keep their rolling stock and tracks in adequate repair and their tonnage at fair levels because of widely diversified traffic. Probably the greater part of traffic. Probably the greater part of the country's transportation system however, will experience no serious dif-

however, will experience no serious difficulty in struggling through another half year on reduced maintenance.

Substantial issues affecting the road's operating incomes and expenses are to be settled. Virtually all competent and unbiased authorities now recognize the need of restoring fair relationship between freight rates and values of commodities. Pending applications of carriers for a 10 per cent, reduction in wages of their employees represent the view of roads that carrying charges, now admittedly too bligh, should be reduced, with corresponding cuts in railroad payrolls.

Session in Pit.

Chicago, March 11.—Light trading, quick changes in prices and general reduced, with corresponding cuts in railroad payrolls.

Chicago Board of Trade, Most

in two basic industries on April 1, has passed. Unusually large purchases of coal by the carriers within the last six weeks indicate that in the event of a miners' strike the roads would be supplied with extra fuel enough to provide motive power for fifty or sixty days. It is now certain, moreover, that the presentation of evidence in the dispute before the board will consume another six weeks at least.

There are other questions besides

conting the stage for a possible vallout:
In two based industries on April 1, has passed. Unusually large purchases of the process in the last few minutes in the last few minutes in Part of the last few minutes in Part of

relief; namely, that railroads are not keeping abreast of growth in other in-dustries, that there is less railway mile-age in operation than there was five years ago, that a car shortage would re-MORO PIRATE MUST DIE.

Companion in Outrage on Dutch subjects Gets Life.

Companion in Outrage on Dutch subjects Gets Life.

Companion in Outrage on Dutch subjects Gets Life.

MARILA March II.—Two Moro pirates, however, revealed new extensions, require an expansion or will soon demand it, and white irroads have not the money or credit to provide have not the money

BID AND ASKED QUOTATIONS

Cal & Ariz. 59 70 Not 6 Stl. 1000, 1 Carson Hill 124 1 Nat Cineas. 190, 1 Carson Hill 124 1 Nat Cineas. 190, 1 Carson Hill 124 1 Nat Cineas. 190, 1 Carson Floor. 25 1 Nat Cineas. 125 1 Nat Cineas. FOREIGN GOVERNMENT AND MUNICIPAL BONDS. New strength in the market for transportation stocks turned the attention of the financial community in the latter half of last week to contemplation of the business outlook for the carriers and furnished evidence of the growing conviction that 1922 was not without promise for that branch of industry.

Backward views of a year of shrunken gross receipts, postponed maintenance, partial liquidation of labor and lowered and passed dividends are in the strength of the strength

the financial community in the latention of the financial community in the latent balf of last week to contemplation of the bushness outlook for the carriers and furnished evidence of the growing conviction that 1922 was not without promise for that branch of industry.

Backward views of a pear of shrunker partial liquidation of labor and lowered and passed dividends are still to common partial liquidation of labor and lowered and passed dividends are still to come in the publication of annual reports for 1921, the probability being that the Pennsylvari Railroad's report will lead position of bankers and railroad executives, however, is to regard last year's results as water over the dam, and because of the helpful attitude evineed by the Administration and other Goyen mental ascendes to find in problems cut of ferme from those facing industrial and commercial corporations.

Slow speed business recovery and the seasonal fluctuation of freight tonnage and commercial corporations.

Slow speed business recovery and the seasonal fluctuation of freight tonnage in the provement in its second six months will render the year's net railway operation in the provement in its second six months will render the year's net railway operation in the provement in its second six months will render the year's net railway operation and the provement of the provemen

TRADING IN GRAIN MARKET IS LIGHT

CHICAGO PRICES.					
WHEAT-	136 11714 111	11845	135%	1374	Close. 136% 118
lyptember	63% 63%			-0314 6539 68	62% 65% 67%
OATS	41	394 <u>1</u> 4194 4294		3015 4115 42	
ARD-	.106%	107%	106%	107	10614
y	11.40	11.45 11.62	11.25	11.25	11.40 11.62

COTTON LOSES ALL GAIN AT CLOSING

Average Man's Money

WHEN a first mortgage bond is offered for sale by us, the man of small means may find comfort by placing his funds in that investment. He knows that he will get his interest regularly and his principal when due.

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Members of the New York Stock Exchange

S. LEADS WORLD
IN EXPORT GAINS
Output

The private business of the United States.

As a result of the great war, American exports soured to a total of nearly \$8,000,000 a year. This was about 200 per cent. greater than the pre-war period. Few persons expected this extraordinary flow of foreign sales to contraordinary flow of foreign sales for the great war.

tinue. Many pessimistically predicted that immediately after England. France and the Scandinavian countries could get back into world trade unhampered by war conditions the United States foreign trade would fall off to the pre-

Toreign trade would fall off to the pre-war figures. American trade did fall off. But not to prewar levels either in value or volume. However, a big docline was likewise recorded in books of experters of England and all other countries.

This is No. 1 of a series of discussions pre-pared by the Finanical Department of THE NEW YORK HERALD, dealing with the pur-chase and sale of bonds, stocks and other securities and designed to repaint a few guide posts for the layman, by which reliable security

Speculation

Investment

The man or woman who is desirous either of investing or "taking a flyer" in securities of any kind will do well to remember that ordinary business prudence is just as necessary in the purchase of securities as in the purchase of all other things involving a considerable outlay of money.

Time plays a more important part in speculation than it plays in investment. Timeliness is desirable in both. But, to rush into a financial commitment before time has been taken to make an investigation is courting certain worry and financial loss.

Take time to investigate both the security dealer and the security itself before purchasing securities of any kind.

Speculation, Its Purpose and Possibilities

The purchase of stocks and other securities primarily for profit is perfectly legitimate where an individual is sufficiently acquainted with the routine of legitimate finance.

In stock speculation, markets are first consideration, and unless a stock possesses a good market through listing on some well regulated, established Exchange, or through a recognized unlisted or over-the-counter market, facilities for selling virtually do not exist. If a stock possesses no well defined, visible market at the time of purchase its speculative possibilities cannot be called reasonably good. Lacking a market a stock has no profit possibilities and usually represents in the end a dead loss.

When there are so many speculative securities available that possess visible, active markets, it is difficult to find any good reason for speculation in other than these standard market securities, except that fantastic profit possibilities are allowed at times to supplant plain business logic.

Likewise, there is no good reason for trading with any but a reputable brokerage firm when there are so many recognized houses to choose from. Any reputable broker has the facilities for trading in all established markets.

The Investment Security and Its Function

The Investment Security provides an especially attractive means of assuring an appreciable income from funds whose safety is of paramount importance. At all times, safety of principal and yield, insured by sustained earning power, must be the prime considerations which determine the merit of investment securities.

Usually, it is not so much poor judgment as snap judgment which allows the purchase of worthless stocks and bonds. The average business man, after sufficient consideration, should experience little difficulty in arriving at an accurate estimation of the investment status of a security. There are ample facilities for examination when dealing with a recognized investment firm and there are dependable comparisons of physical values when buying standard securities. The difficulty usually arises from an inherent human desire to get a little more for one's money than it should buy. It is well to remember that when dividends or interest rates seem to offer a very material advantage above normal interest rates for standard securities, there is some reason for the difference.

Bonds, Notes, Guaranteed Stocks, Preferred Stocks and even Common Stocks may be rated rightfully as investment securities, but by no means may all bonds and all stocks be called investments. The considerable difference lies in the values behind various securities. The investor should never lose sight of the fact that intrinsic values determine the worth of an investment.

A reputable Bond Firm may be depended upon to assist you in the selection of sound investment securities which suit your individual needs. A reputable Stock Broker may be relied upon to advise you against worthless speculations; it is not within his power, however, to guarantee profits on any trans-

The financial advertising columns of THE NEW YORK HERALD to-day serve as a careful guide to reputable Bond Firms and Stock Brokers. Before admission to its financial advertising columns, THE NEW YORK HERALD satisfies itself as to the integrity and standing of each firm or broker.

> Read the Financial News and Advertisements on the Financial pages of The New York Herald every day.

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